

Board of County Commissioners

Workshop Item

Date of Meeting: March 27, 2007

Date Submitted: March 21, 2007

To: Honorable Chairman and Members of the Board

From: Parvez Alam, County Administrator
Vincent S. Long, Deputy County Administrator
Wayne Tedder, Planning Department Director

Subject: Workshop on a Request to Direct Staff to Work With the City of Tallahassee to Develop a List of "Significant Benefit" Projects for Expenditure of Proportionate Share Funds, and to Prepare a Report on Alternative Transportation Capital Improvement Funding Options.

Statement of Issue:

This workshop is to request to direct staff to work with the City of Tallahassee to develop a list of "significant benefit" projects for expenditure of proportionate share funds, and to prepare a report on alternative transportation capital improvement funding options.

Background:

The Florida Department of Transportation (FDOT) stated recently that it is \$2.1 billion short in meeting their 5-Year Workplan obligations, and are therefore removing many capacity projects from the Workplan. Most gas tax revenues are being spent simply to maintain the facilities already in place, with little left over for new projects, even though the state is growing by 1,100 people each day. One attempt at the state level to help fund new capacity projects was enactment of the 2005 Growth Management Act and creation of proportionate share mitigation.

However, because single proportionate share payments will usually be insufficient to fully fund capacity projects generated by each development, the City of Tallahassee is developing a methodology by which proportionate share payments can be "pipelined" towards specified projects that provide benefit to the transportation system areawide. The 2005 Growth Management Act (also referred to as Senate Bill 360) allows proportionate share dollars to be spent on projects that provide "significant benefit" to the transportation system, but implementing rules have never been adopted. Therefore, the Board is requested to direct County staff to work with the City to develop a unified list of projects that will provide "significant benefit" to transportation system, and to present that list to FDOT. The City held initial discussions with FDOT in December 2006 on this concept, but FDOT is waiting to review the list of projects before it decides whether or not this process will be acceptable.

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Analysis:

Summary of City's Concept

Simple proportionate share dictates that when a development request is submitted which would add trips to an already overcapacity road, the developer must pay his or her share of the cost to add the necessary capacity back to the impacted road, provided the local government has budgeted matching funds in the five-year Capital Improvement Program. The problem with this is that road projects are so expensive, the local government often has no matching funds. Therefore, development has no project to pay its fair share, and the development cannot move forward until matching funds are found to add the necessary improvement to the 5-year Capital Improvement Program.

However, the new legislation also includes language allowing the local government to use proportionate share mitigation on a CIP funded project that will "significantly benefit" the transportation system, even if the specific impacted road is not corrected. Unfortunately, the State has not drafted rules showing how this provision can or will be enforced. Therefore, the City has developed an approach it believes would be mutually beneficial to both the local government and the state.

Under the City's proposal, five districts would be created in the City - one for each quadrant plus one for downtown (Attachment #1). The City is currently developing a list of prioritized projects for each quadrant. When a development application is submitted, it would be assessed a proportionate share mitigation depending on its impacts. Mitigation money will then be used to fund the highest ranked, CIP funded, project for that sector, which should include transit, bike and pedestrian projects as well as roadway infrastructure. Because transportation patterns do not stop at the City Limit line, staff believes it would be beneficial for the County to work with the City to extend those sectors into the County and develop a single City/County prioritization list for each sector. Besides supporting a more efficient economy of scale, this unified approach is likely to make negotiations with FDOT and Florida Department of Community Affairs (FDCA) easier, as well.

The County's transportation concurrency management system was revised by the Board in November, 2006 to implement the state-mandated requirements outlined in SB 360. Under the County's current system for each proposed development a project-specific "two-tiered" traffic impact analysis area is established. The smaller "first tier" area, the Immediate Traffic Impact Network (ITIN), is utilized to implement the 110% de minimus impact threshold that was established by SB 360. The larger "second tier" area, the Comprehensive Traffic Analysis Network (CTAN), defines and limits the off-site traffic impact analysis area for a specific project. The ITIN can range from the adjacent roadways to 0.5 miles, and the CTAN can extend to 10 miles for Development of Regional Impact scale projects. Table I of the County's Concurrency Management Policies and

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Procedures Manual (CMPPM) establishes a proposed project's ITIN and CTAN based on the intensity and/or density of the development (See Attachment #2).

Consistent with SB 360, the County's current transportation concurrency management system provides for proportionate share mitigation of roadway capacity improvements in the five-year CIP, and also provides consistent with state law for the pipelining of proportionate share mitigation funds for projects that provide a "significant benefit" to the County's overall transportation system. Significant benefits projects are not currently identified in the County's adopted CMPPM. However, if an applicant proposes to mitigate a project's transportation concurrency impacts utilizing a "significant benefit" improvement, the proposal requires review and approval consistent with the provisions outlined in Sections 6.1.3 and 6.2.5 of the County's CMPPM.

The proposed five district significant benefits concept would provide an additional mitigation option for proposed projects that significantly impact roads that are currently operating below the adopted level of service, and are not planned for improvement in the adopted CIP. Additionally, the five district significant benefits concept would address the issue of inter-jurisdictional (County, City and State) roadway impacts and mitigation.

To assist with meetings between the City and County, and later with the State, a preliminary draft interlocal agreement between the City, County, and State has been developed and is included as Attachment #3.

Statutory Basis

This concept is based on Ch. 163.3180(16)(f), added as part of the 2005 Growth Management Act.

"(f) In the event the funds in an adopted 5-year capital improvements element are insufficient to fully fund construction of a transportation improvement required by the local government's concurrency management system, a local government and a developer may still enter into a binding proportionate-share agreement authorizing the developer to construct that amount of development on which the proportionate share is calculated if the proportionate-share amount in such agreement is sufficient to pay for one or more improvements which will, in the opinion of the governmental entity or entities maintaining the transportation facilities, significantly benefit the impacted transportation system. The improvement or improvements funded by the proportionate-share component must be adopted into the 5-year capital improvements schedule of the comprehensive plan at the next annual capital improvements element update."

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Project Prioritization

Because proportionate share funds will likely support significant capital spending in future years, care must be taken to prioritize projects that support local policy objectives, as well as increase capacity on state roadways. For this reason, the project priority list may differ from the Long Range Transportation Plan (LRTP). Due to its potential to halt development on roads which are over capacity, Senate Bill 360 has raised concern over certain roadways, and has heightened the necessity to fund transit, pedestrian and bicycle improvements. However, the current 2030 LRTP was developed prior to the implementation of Senate Bill 360 and therefore may conflict with priorities developed for use of proportionate share mitigation dollars. This discrepancy is expected to be resolved with the development of a regional Master Transportation Plan.

At its September 19 and October 10, 2006, meetings, the Board directed staff to begin development of a Multimodal District for downtown, and to prepare an expansion of the Transportation Concurrency Exception Area to include the entire Urban Service Area. The Board initiated these actions in order to support more compact, transit-oriented development. While it will take 2-3 years to complete the Master Transportation Plan and finalize project priorities to support this concept for the next 30 years, there are some immediate projects identified by StarMetro and the Tallahassee-Leon Bicycle Pedestrian Master Plan that would support transit oriented development. Due to the rapid pace of current development, it is imperative that City and County incorporate transit oriented design where possible now, and not delay until completion of the Master Plan. Furthermore, lessons learned during smaller projects can provide valuable experience for development of the Master Plan as a whole.

Need to Develop Unified Strategy/ Other Funding Options

Because of the increasing cost of roadway projects, and because travel patterns are not confined to one jurisdiction, the Board and City Commission recognized the need to prioritize, plan, and fund transportation projects at a regional level, and thus initiated the Capital Region Master Transportation Plan. However, because that planning effort will take significant time and resources, more immediate cooperation between the County and City is necessary to responsibly allow new development and also comply with the new growth management legislation. Therefore, the Planning Department recommends the Board direct appropriate staff to work with their counterparts at the City of Tallahassee to generate a unified significant benefit project list that includes roadway, transit and bicycle/pedestrian projects.

Furthermore, due to the magnitude of backlogs which have developed over the past 25 years, and due to the massive rise in transportation capital improvements cost, the Planning Department recommends County and City staff review all of the following funding mechanisms, and bring back recommendations jointly to the Board and City Commission. Due to cost increases and projected

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population growth, a combination of tools providing a comprehensive approach, addressing both funding of infrastructure (supply) and mode choice (demand), is most likely to yield the best solutions, rather than one magic bullet.

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Transportation Capital Improvements Funding Options

Funding Source	Pro	Con
Proportionate Share Mitigation (We are required by statute to allow this, but have some flexibility in how to structure it.)	<ul style="list-style-type: none"> - Allows developer to pay their fair share to correct backlog, as long as the project is in the CIP 	<ul style="list-style-type: none"> - Does not prevent future backlogs - Development that comes in while the road has capacity doesn't pay, so entire cost burden is placed on later developments - Costs will be passed directly to customers, tightening affordable housing supply
Transportation Impact Fees	<ul style="list-style-type: none"> - Allows development to know and calculate upfront what mitigation costs will be, so less uncertainty - All development pays equally, so new backlogs are less likely - Fairer distribution of costs 	<ul style="list-style-type: none"> - Costs will be passed directly to the customers, further tightening affordable housing supply (incentives can be structured to support affordable housing, though)
Sales Tax	<ul style="list-style-type: none"> - Readily available revenue source - Spreads burden evenly across the population 	<ul style="list-style-type: none"> - Burdens lower incomes more, as a larger percentage of income goes to taxes - Does nothing to reduce vehicle miles traveled because fee is essentially unrelated to travel behavior - Those who do not drive still pay tax
Gas Tax	<ul style="list-style-type: none"> - Readily available revenue source - Spreads burden evenly across the population 	<ul style="list-style-type: none"> - Burdens lower incomes more - Gas tax revenues shrink with fuel efficiency/less gas use
User Fees (i.e. tolls)	<ul style="list-style-type: none"> - Places cost directly on user - Ties cost to vehicle miles traveled 	<ul style="list-style-type: none"> - Also tends to burden lower income households more because higher percentage of income goes to transportation costs

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Proportionate Share Implementation Provides the Foundation for the Development and Implementation of an Equitable Countywide Transportation Impact Fee Ordinance

Should the Board agree to direct staff to investigate and implement the multi-district based significant benefit approach as an appropriate proportionate share implementation strategy, a majority of the required data and statutory basis for the adoption and implementation of a countywide transportation impact fee ordinance would be in place. The district-specific improvements required to maintain the adopted level of service (LOS) as established in the Comprehensive Plan would be identified, and could be utilized as a basis for establishing a district-specific transportation impact fee schedule. Fees collected within the established districts would be utilized within those geographical areas in conjunction with district-specific proportionate share fees to facilitate the completion of roadway enhancements and capacity improvements required to maintain the adopted LOS. Therefore, the significant benefits implementation strategy outlined in this item in conjunction with the implementation of a companion countywide transportation impact fee would result in a more expeditious enhancement of the County's overall transportation network.

As noted in the Table above, the implementation of a countywide transportation impact fee would enhance the development community's ability to estimate the upfront mitigation costs associated with a proposed project. Additionally, the implementation of a countywide transportation impact fee would provide for a more equitable allocation of costs to all new development proposals consistent with the Comprehensive Plan. Furthermore, the proposed development that happens to be the proposal that significantly impacts the LOS of a roadway facility would not be fully responsible for mitigating the facility backlog that may be a result of the historical accumulation of impacts from many smaller (deminimus) projects. Finally, as provided by the Legislature in SB 360, all transportation impact fees collected as a result of a proposed development are to be credit against any proportionate share contribution required under the implementation of transportation concurrency management.

Use as a Funding Mechanism for the Master Plan

The Master Transportation Plan will encompass an update to the Long Range Transportation Plan, an update to the Bicycle Pedestrian Plan to include the rest of the CRTPA, and an update to the Transit Development Plan to also include the CRTPA. As such, it is expected that a portion of the dollars needed to develop the Master Plan will come from the CRTPA. However, the City and County will still need consultant dollars to tailor the Plan to local roads and needs, and to support the 50-Year Visioning element also adopted by the Board and City Commission. Therefore, staff recommends that the Master Plan be included on the Capital Improvements Schedule and included as a "significant benefit" project so that proportionate share funds may be utilized for the Master Plan preparation.

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Options:

1. Direct County staff to work with the City of Tallahassee to finalize a joint list of projects that will provide "significant benefit" to the transportation system through the use of proportionate share mitigation funds, and to work with the Florida Department of Transportation to refine this concept. If approved by FDOT, proportionate share transportation mitigation funds would go toward these projects, regardless of the jurisdiction in which the development occurs or the type of road (County, City, or State) significantly impacted by the proposed project.
2. Direct staff to bring back to the Board a report on comprehensive funding strategies for transportation capital improvements.
3. Direct staff to include the Master Transportation Plan in the FY2008 Capital Improvements Program, and to use proportionate share mitigation to partially fund this Plan.
4. Direct staff to develop standards for a countywide transportation impact fee which would enhance the development community's ability to estimate the upfront mitigation costs associated with a proposed project.
5. Do not direct County staff to work with the City of Tallahassee to develop a joint list of projects.
6. Do not direct staff to bring back a report on comprehensive funding strategies.
7. Do not direct staff to include the Master Transportation Plan in the Capital Improvements Program.
8. Do not direct staff to develop standards for a countywide transportation impact fee.
9. Board direction.

Recommendation:

Options #1, 2, and 3.










Attachments

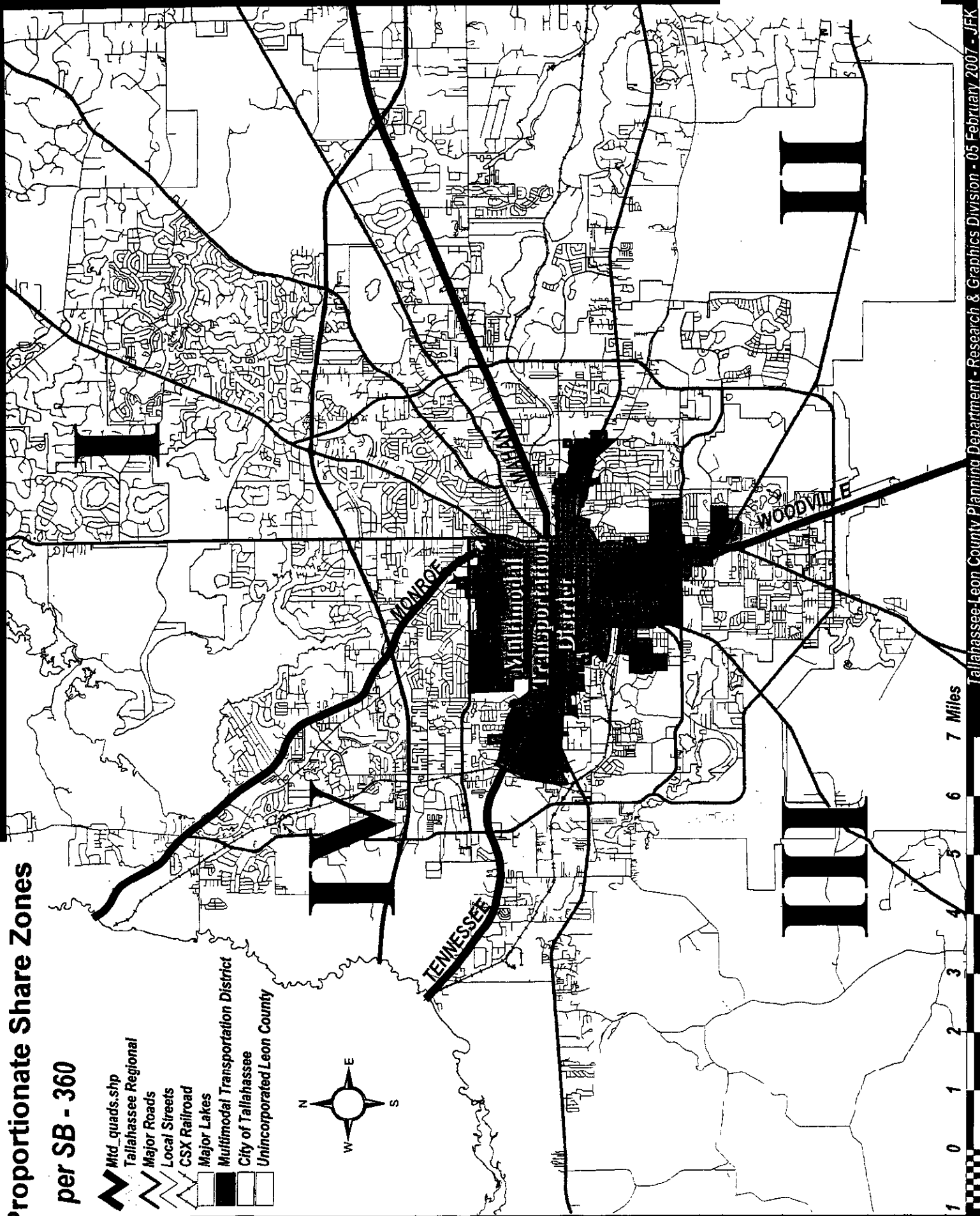
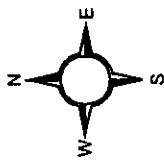
1. City's Proposed Proportionate Share Zones
2. Table I of the County's Concurrency Management Policies and Procedures Manual (CMPPM)
3. Draft Interlocal Agreement

PA/VSL/WT/CYB/cyb

Proportionate Share Zones

per SB - 360

-  Mtd. quads.shp
-  Tallahassee Regional
-  Major Roads
-  Local Streets
-  CSX Railroad
-  Major Lakes
-  Multimodal Transportation District
-  City of Tallahassee
-  Unincorporated Leon County



and Immediate Transportation Impact Network (ITIN) Radii Matrix

TOTAL PROJECT PM PEAK HR EXTERNAL TRIPS	MILES RADIUS OF THE COMPREHENSIVE TRAFFIC ANALYSIS NETWORK (CTAN)				MILES RADIUS OF THE IMMEDIATE TRAFFIC IMPACT NETWORK (ITIN)			
	RETAIL	RES	OFFICE	MIXED USE	RETAIL	RES	OFFICE	MIXED USE
0-50	1.00	1.50	2.00		0.20	0.30	0.40	
50 to 100	1.20	1.75	2.25		0.25	0.35	0.45	
100 to 150	1.40	1.95	2.50		0.25	0.35	0.45	
150 to 200	1.65	2.15	2.70		0.30	0.40	0.50	
200 to 250	1.85	2.40	2.95		0.30	0.40	0.55	
250 to 300	2.05	2.60	3.20		0.35	0.45	0.55	
300 to 350	2.25	2.85	3.40		0.40	0.50	0.60	
350 to 400	2.45	3.05	3.65		0.40	0.50	0.65	
400 to 450	2.65	3.25	3.85		0.45	0.55	0.65	
450 to 500	2.85	3.45	4.10		0.45	0.55	0.70	
500 to 550	3.00	3.65	4.30		0.50	0.60	0.70	
550 to 600	3.20	3.85	4.55		0.50	0.65	0.75	
600 to 650	3.40	4.05	4.75		0.55	0.65	0.80	
650 to 700	3.60	4.25	4.95		0.55	0.70	0.80	
700 to 750	3.80	4.45	5.15		0.60	0.70	0.85	
750 to 800	3.95	4.65	5.40		0.60	0.75	0.85	
800 to 850	4.15	4.85	5.60		0.65	0.75	0.90	
850 to 900	4.30	5.05	5.80		0.65	0.80	0.90	
900 to 950	4.50	5.25	6.00		0.70	0.80	0.95	
950 to 1000	4.70	5.45	6.20		0.75	0.85	1.00	
1000 to 1050	4.85	5.65	6.40		0.75	0.90	1.00	
1050 to 1100	5.00	5.80	6.60		0.75	0.90	1.05	
1100 to 1150	5.20	6.00	6.80		0.80	0.95	1.05	
1150 to 1200	5.35	6.20	7.00		0.80	0.95	1.10	
1200 to 1250	5.55	6.35	7.20		0.85	1.00	1.10	
1250 to 1300	5.70	6.55	7.35		0.85	1.00	1.15	
1300 to 1350	5.85	6.70	7.55		0.90	1.05	1.15	
1350 to 1400	6.05	6.90	7.75		0.90	1.05	1.20	
1400 to 1450	6.20	7.05	7.95		0.95	1.10	1.20	
1450 to 1500	6.35	7.25	8.10		0.95	1.10	1.25	
1500 to 1550	6.50	7.40	8.30		1.00	1.15	1.25	
1550 to 1600	6.65	7.55	8.45		1.00	1.15	1.30	
1600 to 1650	6.80	7.75	8.65		1.05	1.15	1.30	
1650 to 1700	6.95	7.90	8.80		1.05	1.20	1.35	
1700 to 1750	7.10	8.05	9.00		1.05	1.20	1.35	
1750 to 1800	7.25	8.20	9.15		1.10	1.25	1.40	
1800 to 1850	7.40	8.40	9.35		1.10	1.25	1.40	
1850 to 1900	7.55	8.55	9.50		1.15	1.30	1.45	
1900 to 1950	7.70	8.70	9.65		1.15	1.30	1.45	
1950 to 2000	7.85	8.85	9.85		1.20	1.35	1.50	
Over 2000	8.00	9.00	10.00		1.20	1.35	1.50	

SEE NOTE 2 BELOW

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NOTES:

(1) The CTAN and the ITIN include all segments of the concurrency roadway network that are located within, or are contiguous to, the applicable radius shown in the above tables. The center of the radius is the point at which the project access will connect to the external roadway system. In instances where there are multiple project access points, all areas within the applicable radii that correspond to these access points shall be incorporated into the network.

(2) For mixed use projects, the CTAN and ITIN radii shall be based on the individual land use type within the project that has the longest applicable radius. The trip total applied to the CTAN & ITIN tables shall consist of the combined external (non-internally captured) trips for all of the proposed land uses.

TABLE 2 LAND USE CONVERSION DATA

**Interlocal Agreement Regarding the Use of Proportionate Fair-Share
and Impact Fee Revenues on Significant Benefit Projects
(INITIAL DRAFT)**

WHEREAS the 2005 Growth Management Act created more stringent transportation concurrency requirements by reducing de minimis exemptions and requiring capacity on roadways be available at the time of building permit issuance;

WHEREAS the 2005 Growth Management Act allows development to pay its "proportionate fair-share" to correct capacity deficiencies, provided the local government has a cost feasible plan to complete the required roadway project;

WHEREAS roadway construction and right-of-way costs have increased dramatically over recent years such that many capacity projects are no longer cost feasible;

WHEREAS the 2005 Growth Management Act includes provisions for pipelining proportionate share funds from several projects toward one project which provides a "significant benefit" to the transportation network;

WHEREAS local government finds that it is in the best interest of the public to fund transportation improvements in order to support economic growth and housing generated by well-managed growth;

Therefore the City of Tallahassee, Leon County, and the Florida Department of Transportation agree to the following:

General Provisions

- 1) The City of Tallahassee and Leon County are divided into five zones, as shown in Attachment A.
- 2) A tiered list of transportation priorities is created for each of the five zones. The top priority projects are listed as Tier A, the second priority projects as Tier B, and the third priority projects as Tier C. This list, along with estimated costs and governmental jurisdiction of each project, is included as Attachment B
- 3) 100% of funds generated by proportionate share dollars within each zone will go to Tier A projects until 100% of construction funds are collected.
- 4) Tier B will move to Tier A and Tier C will move to Tier B when Tier A is 100% funded. This cycle will repeat automatically with no approvals required by the City, County and/or State.
- 5) Should 100% funding not be collected for Tier A projects by the fourth year, the CIP may be extended for an additional 5 year period with no required approval by the City, County and State. Additional continuances beyond the tenth year shall be approved by the City, County and State. The City, County, and State will, at the end of the first 5 year period, add additional project priorities for future funding.

- 6) *Option to allocating funding to Tier A projects* - If the County or City determines that a fully funded project, other than a Tier project, provides a significant benefit to the overall transportation system and is located within the proposed development's delineated Comprehensive Traffic Analysis Network (CTAN) area, the associated City or County (depending on the location of the development application) proportionate share mitigation fees may be pipelined to the project consistent with the review and approval procedures as outlined in the applicable Concurrency Management Policies and Procedures Manual. Such improvement shall be located within the transportation district in which the proportionate share dollars are collected. (Alternative language for discussion: "...such project may be funded, instead of the Tier A project, if approved by a supermajority of the City, County and by the State and shall be provided as an addendum to this agreement.")
- 7) The 5-year Transportation Improvement Plan shall be updated as required to implement this agreement.

Effective period

- 1) The terms of this agreement shall run for ten years. Future extension of the agreement shall require approval of the City, County and the State.
- 2) At the conclusion of this agreement, and the Tier A project is not fully funded, the City, County and State shall provide a written agreement specifying the terms for completion of the project.

Significant Benefit Project Priority List (DRAFT ONLY– still under development)		
DISTRICT 1		
Tier A	Tier B	Tier C
Beech Ridge Trail Extension (Bannerman to Kinhega.) (County)	Mahan Drive (Dempsey Mayo to I-10) (State)	Bannerman Road (Meridian to Thomasville) (County)
DISTRICT 2		
Tier A	Tier B	Tier C
Mahan Drive (Dempsey Mayo to I-10) (State)	Weems Road (Capital Circle NE to Mahan) (City)	Tram Road (South Monroe to Capital Circle) (County)
DISTRICT 3		
Tier A	Tier B	Tier C
Pensacola Street (Capital Circle SW to Appleyard) (State)	Appleyard Drive Extension (Orange to Jackson Bluff) (City)	
DISTRICT 4		
Tier A	Tier B	Tier C
Tharpe Street (Capital Circle NE to Ocala) (County)		
DISTRICT 5		
Tier A	Tier B	Tier C
mass transit - 70%, sidewalk/crosswalk/bikelane - 30%		